This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 07 TEL AVIV 000576

SIPDIS

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XOXX
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USCINCCENT MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO FOR ICD LONDON ALSO FOR HKANONA AND POL PARIS ALSO FOR POL ROME FOR MFO

E.O. 12958: N/A
TAGS: IS KMDR MEDIA REACTION REPORT
SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

Mideast

Key stories in the media:

All media (banners in all media, except Yediot) quoted comments made by Acting PM Ehud Olmert in an interview with Channel 2-TV last night that Israel "will separate from the majority of the Palestinian population that lives in Judea and Samaria [i.e. the West Bank], and this will obligate us to leave territories where Israel is today." Olmert said that Israel would retain Ariel, the Jordan Valley, Ma'aleh Adumim, Gush Etzion, and "united Jerusalem" within its permanent borders. Israel Radio reported that politicians from the right and left criticized Olmert's remarks.

Israel Radio quoted FM Tzipi Livni as saying in Washington on Tuesday that Israel has no interest in the collapse of the PA. Ha'aretz reported that Livni is expected to ask Secretary of State Condoleezza Rice to continue its pressure on the PA's leadership. Ha'aretz and Maariv quoted Minister Livni as saying during her meeting Tuesday with King Abdullah of Jordan: "As far as we are concerned, the outcome of the elections in the PA is very problematic. It is important for us to bolster awareness of this in the international community and we need to talk about it loud and clear, and not start backing down from the demand to dismantle the terror organizations. demand should continue to be posed to Abu Mazen to meet the commitment he made before the elections." Livni stated that Israel would not engage in any contact with the new Palestinian government if Hamas is a member of it. She posed three conditions for holding talks with the organization nonetheless: "Only if Hamas abandons the path of terror, recognizes the State of Israel and honors all the agreements that were signed until today between Israel and the Palestinians." Maariv wrote that King Abdullah did not agree with this position, and asked Livni not to rule out at the present stage talks with the new Palestinian government: "It is important not to ignore the new Palestinian government even before it has announced its agenda. It is necessary to deal with the new reality that has been created after Hamas's victory in the elections, and to work to renew the peace process." Maariv reported that Abdullah also warned of the collapse of the Palestinian Authority, and urged the international community to continue to transfer funds to it. Maariv reported that responding to a reporter's question, Livni addressed the issue of the Palestinians' welfare: "Israel is aware of the need to care for the Palestinians. We have no interest in making them live under conditions of poverty. Therefore we have tried to make a distinction between the policy of Israel's security needs and the need to enable the Palestinians to lead a normal life.

Israel Radio reported that Egypt and Saudi Arabia are trying to convince Hamas to accept the Saudi peace initiative, which calls for Israeli withdrawal from all

territories occupied since 1967 in return for recognition of Israel and normal relations. The radio reported that Khaled Mashal, the head of Hamas's political bureau, does not rule out such a possibility. The Jerusalem Post reported that Sheikh Yasser Mansour, No. 5 on the Hamas national list told the newspaper that if Olmert "wants to find a solution [to the Israel-Palestinian conflict] he must accept less than he wants." The Jerusalem Post quoted Musa Abu-Marzouk the deputy head of Hamas's political bureau as saying in an interview with AP: "When historic Palestine is reinstated, they [the Jews] can come and live among us. They will have a Palestinian nationality." Ha'aretz reported that Hamas is demanding that PA Chairman [President] Mahmoud Abbas give it control of three Palestinian security services as part of a transfer of authority to the new government that Hamas will form in the wake of its parliamentary victory last month. newspaper wrote that Abbas is thought to view the request unfavorably. Ha'aretz reported that in talks over the last few days with Egyptian intelligence chief Omar Suleiman, Hamas decided to extend the period of "calm," during which it agrees not to attack Israeli targets.

Maariv reported that on Monday the White House brought the U.S. administration's foreign aid appropriations bill to the U.S. Congress, which provides for USD 2.56 billion in aid to Israel -- including USD 2.28 billion in military aid, USD 240 million in civilian aid, and USD 40 million designated for a fund to help relocating refugees. The newspaper said that U.S. aid to Israel increased by USD 60 million compared to the previous year and that the bill states that Israel is a vital ally of the United States and a partner in the war on terror, and in the struggle for achieving peace in the Middle East. Maariv also reported that Egypt will receive USD 1.3 billion in military aid and USD 495 million in civilian aid. Maariv wrote that Washington conditioned its aid to Cairo on the allotment of at least USD 50 million to institutions promoting democracy and human rights. The newspaper reported that Jordan will receive around USD 450 million in civilian and military aid, and the PA will receive USD 150 million through USAID.

All media reported that on Tuesday, two Fatah (Al-Aqsa Martyrs Brigades) operatives were killed in an IAF strike in the Gaza Strip. Maariv and Israel Radio quoted UN Secretary-General as saying that while Israel has the right to defend its citizens, targeted killings are akin to "executions without trial." Annan also criticized Palestinian rocket attacks on Israel. The media reported that four Qassam rockets were fired at Israel on Tuesday, and that the numbers were similar in previous days. This morning, Israel Radio reported that the IDF killed an armed Al-Aqsa Martyrs Brigades activist who was trying to get close to the Israel-Gaza border and wounded two others.

Ha'aretz reported that an investigation it conducted revealed that the deal Israel reached with the PA and Egypt on operating the Rafah border terminal does not allow Israel to prevent the entrance of terrorists from Egypt into the Gaza Strip.

Ha'aretz and The Jerusalem Post reported that on Monday, the Anglican Church's General Synod decided to divest from companies whose products are used by Israel in the territories. The Jerusalem Post reported that the former archbishop of Canterbury, Lord George Carey, told the newspaper that he was "ashamed to be an Anglican" following the vote.

In its lead story, Yediot reported that Israel's National Insurance Institute (the equivalent of the U.S. Social Security Administration) distributes allowances to hundreds of Hamas activists, including Muhammad Abu-Tir, the movement's No. 2. Yediot cited the National Insurance Institute as saying that the situation can only be changed by amending the existing legislation.

Last night, Channel 10-TV continued to reveal comments made by Shin Bet head Yuval Diskin more than a month ago. He was quoted as saying that the late PA Chairman [President] Yasser Arafat had been surprised by the Al-Aqsa Intifada and only followed suit. Channel 10-TV's Washington correspondent Gil Tamari said that the U.S. Washinistration was angered by comments made by Diskin: "When one dismantles a regime in a state ruled by a strong tyrant you get chaos, as was the case in Iraq. I am not sure I don't miss Saddam [Hussein]."

Israel Radio reported that the Danish observers in Hebron left the city for Tel Aviv because of the risk

posed to them in the wake of the Muhammad cartoon controversy. The station quoted State Department spokesman Sean McCormack that the contest of Holocaust-related cartoons announced by the largest-circulation Iranian newspaper Hamshahri is "outrageous." Major media quoted Iran's Supreme Leader Ali Khamenei as saying on Tuesday that the publication in Western countries of the Muhammad cartoons is an Israeli plot deriving from Israel's anger at Hamas's election victory in the PA.

Yediot reported that for the first time, a delegation of Pakistani businessmen will come to Israel in May to visit the "Agritech 2006" exhibition. The newspaper quoted the members of the delegation as saying that they intend to explore the possibility of purchasing advanced mechanical agricultural equipment and new technologies for raising crops in desert and mountainous areas.

Yediot advised Israelis wishing to visit the U.S. during the Passover holiday (in April) to request a U.S. visa interview now.

The Jerusalem Post reported that last week the Zionist Organization of America warned of the "hateful nature" of an upcoming conference at Georgetown University in Washington -- the Palestine Solidarity Movement conference slated to take place February 17-19 -- whose organizers say boycotting Israel is: "a moral imperative ... and a declaration to defend human life.... Israel must be characterized as a pariah state."

Maariv reported that the Foreign Ministry has taken under its wings an Israeli rock band, "Orphaned Land," which has thousands of fans in the Arab countries.

The media reported on, and Maariv highlighted, the rise of the USD's representative rate to 4.719 shekels on Tuesday.

Mideast:

# Summary:

Political parties correspondent Yossi Verter wrote on page one of independent, left-leaning Ha'aretz: "Whoever wanted to believe [Acting PM Ehud Olmert] believed him. Election-eve statements have a very limited value."

Diplomatic correspondent Aluf Benn wrote in Ha'aretz: "The American umbrella will have value only after its details are hammered in terms of joint operational planning... Otherwise it will remain up in the air, as an expression of support by the U.S. administration for its favorite candidate, Olmert."

Nationalist writer Uri Dan commented in the conservative, independent Jerusalem Post: "Now that Hamas has come out of the Palestinian closet in all its murderous glory, most Jews realize that this is the true face of the Palestinian people."

# Block Quotes:

## \_\_I. "Vague Sentences, Liberally Scattered"

Political parties correspondent Yossi Verter wrote on page one of independent, left-leaning Ha'aretz (February 8): "The clearest statement Olmert made [in the interview he granted Israel's Channel 2-TV on Tuesday] related to Israel's final borders, which will be determined, he said, after the elections.

Settlement blocs, a united Jerusalem, the Jordan Valley, Gush Etzion and Ariel will be under Israeli control. And of course, the Roadmap. Whoever wanted to believe him believed him. Election-eve statements have a very limited value. It's enough to recall the interviews Ariel Sharon gave on the eve of the 2003 elections — interviews in which the sole accurate detail is the date of their publication. This interview, and additional interviews Olmert plans to give in the weeks remaining until the elections, are intended to remove him from the beneficent shadow of Sharon (whose name, by the way, was mentioned only a few times last night, and only toward the end of the interview). If it were up to Olmert, he would remain in Sharon's shadow until the elections, but that is not the way leadership is built."

#### II. "The Umbrella and its Circumstances"

Diplomatic correspondent Aluf Benn wrote in Ha'aretz (February 8): "The declaration by President George W. Bush that the United States will protect Israel from Iranian attack, even militarily, is a milestone in the relationship between Washington and Jerusalem, and a step on the road to formalizing a defense pact between the two countries... Bringing Israel in under the American umbrella constitutes a change in the administration's stance, which over the past year backed up Israeli hints of a possible attack on Iran... [However,] Bush's declaration relates to a specific enemy, Iran, and not to other threats that Israel will deal with by itself. Important as it is, the Bush declaration is still far from being a formal defense pact, anchored in a written agreement and approved by the Senate. The American umbrella will have value only after its details are hammered in terms of joint operational planning, and with an understanding of the circumstances in which the U.S. will offer its assistance to Israel. Otherwise it will remain up in the air, as an expression of support by the U.S. administration for its favorite candidate, Olmert."

### III. "Hamas Saved Israel"

Nationalist writer Uri Dan commented in the "The Hamas victory in the Palestinian Authority will save the Jews from themselves. Allah, not just the generals, works overtime for the Jews in order to rescue them from their politicians' chronic blindness.... Arafat's salami plan for Israel's destruction was a great success. Most of our politicians and media were willing to join Arafat's dance of death as they turned a blind eye when he fostered not only Fatah and the Al-Aqsa Brigades, but also Hamas.... Now that Hamas has come out of the Palestinian closet in all its murderous glory, most Jews realize that this is the true face of the Palestinian people. The Palestinian people are proud of their 'democratic' choice of a movement that turned of their 'democratic' choice of a movement that turned suicide bombers into their only industrial product, dedicated to their dream of eradicating the Jewish state.... And just as Arafat woke the Jews up with his human bombs to the cruel reality of their lives in their wonderful country, so will Hamas, which has stockpiled a huge arsenal of weapons and explosives -exactly for this purpose. The awakening of the Jews will once again cost many lives, and will come only after they are roused once again from the powerful brainwashing of Jewish politicians and journalists. But it will come thanks to Hamas.

JONES